

Abstract

Collective investment and its legal regulation

In the Czech Republic the collective investment has experienced a huge expansion in the last decade which was caused among others by renewing the trust in legal regulation which ensures the safety of investment to the investors. Because the topic is relatively difficult and undoubtedly interesting I chose it as a topic of my diploma thesis.

This paper is divided into chapters and subchapters containing particular topics regarding the collective investment legislation but to maintain the overall logical structure of the issue.

Before starting to write the diploma thesis I discussed the biggest problems of a practical application of the collective investment legal regulation with practising lawyers as this view from the academic preparation was missing. I found out from this short survey the most common problems connected with the collective investment legal regulation which I discussed in this diploma thesis. These include in particular the definition of public offering under the Collective Investment Act, the possibility to offer the services of closed-end foreign funds in the Czech Republic and the recently introduced legislation regarding standard and alternative funds.

For this reason I researched the available literature including papers in professional journals and the opinions of Czech National Bank, the Ministry of Finance of the Czech Republic or the already cancelled Czech Securities Commission. Regarding the hedge funds the most useful source of information were professional online papers and discussions dealing with AIFMD because almost no up-to-date Czech literature dealing with this topic exists. I took the inspiration from these sources to answer the questions related to the current collective investment legislation and which should be answered for the proper functioning of this part of the market.

After finishing this paper I realized that some questions I managed to reliably answer and some not. Especially the definition of public under the Collective Investment Act is probably beyond the scope of this paper and I consider it as an ideal

topic of a rigorous work. In contrast, regarding the public offering of closed-end foreign funds I concluded that such an offer should be, despite the provisions of Collective Investment Act, possible. In the final chapters I dealt with the recently adopted regulation of standard and alternative funds which I consider as a development in an inappropriate direction. As I prefer rather liberal development some institutions the legislation introduces, as for example the full single management company's passport, I find as undoubtedly positive.